



House of Representatives

General Assembly

File No. 635

January Session, 2007

Substitute House Bill No. 5656

House of Representatives, April 30, 2007

The Committee on Higher Education and Employment Advancement reported through REP. WILLIS of the 64th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

***AN ACT CONCERNING FINANCIAL ASSISTANCE PROVIDED BY
THE DEPARTMENT OF CHILDREN AND FAMILIES TO INDIVIDUALS
TO PURSUE POST SECONDARY SCHOOL EDUCATIONAL
OPPORTUNITIES.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (*Effective July 1, 2007*) The Department of Children
- 2 and Families may provide financial assistance for post secondary
- 3 school educational or vocational opportunities to any individual who
- 4 is committed to the department or was committed to the department at
- 5 the time of such individual's eighteenth birthday. The department
- 6 shall prescribe conditions of eligibility for the receipt of such financial
- 7 assistance and other program requirements deemed necessary in the
- 8 department's policy manual. Prior to awarding financial assistance to
- 9 an applicant, the department shall (1) identify any other financial
- 10 assistance opportunity available to the applicant and assist the
- 11 applicant in applying for such assistance, and (2) ensure that the
- 12 issuance of assistance pursuant to this section, except in the case of

13 assistance for a vocational opportunity, shall be used to attend an
 14 institution of higher education accredited by the Board of Governors of
 15 Higher Education pursuant to section 10a-34 of the general statutes or
 16 the board's equivalent in another state or that is regionally accredited.
 17 For any new application for financial assistance received by the
 18 department on or after July 1, 2007, financial assistance provided to an
 19 individual by the department may not exceed, on an annual basis, the
 20 total cost of in-state tuition, room, board and matriculation fees
 21 associated with attending The University of Connecticut at Storrs on
 22 September first of the calendar year in which the request for financial
 23 assistance is made. Notwithstanding the provisions of this section, (A)
 24 if an individual has been determined eligible for post secondary school
 25 financial assistance by the department prior to the effective date of this
 26 section, and the amount of financial assistance being provided by the
 27 department on behalf of such individual exceeds or will exceed the
 28 limit prescribed by this section, such individual may continue to
 29 receive the higher amount of financial assistance provided the
 30 individual is in full compliance with the department's program
 31 requirements, and (B) within the discretion of the Commissioner of
 32 Children and Families, the commissioner may issue financial
 33 assistance to an individual in an amount that exceeds the limit
 34 prescribed by this section.

This act shall take effect as follows and shall amend the following sections:

Section 1	July 1, 2007	New section
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HED *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 08 \$	FY 09 \$
Children & Families, Dept.	GF - Savings	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

The Department of Children and Families will experience savings to the extent that it may no longer reimburse post secondary educational expenses in excess of the value of in-state tuition, room, board and matriculation fees at the University of Connecticut (UConn).¹ This restriction would apply to new applicants seeking financial assistance on or after 7/1/07. Its impact will be mitigated to the extent that the commissioner elects to use discretionary authority provided in the bill to provide financial assistance exceeding this amount on a case by case basis.

In any year, actual savings will depend upon the number of young adults seeking financial assistance whose educational costs would otherwise have exceeded the cost of attending UConn. For comparison purposes, expenditures of \$261,289 would have been averted in FY 06 had DCF limited its payments for 47 students whose expenses exceeded UConn's to \$16,485 (UConn's 2005-2006 in-state tuition, room, board and matriculation fees).

Savings would accrue incrementally over the first four years of implementation, as it is assumed that the bill would initially apply to only freshmen (for example, increments of \$65,322, using FY 06 experience).

¹ \$17,692 for the 2007-2008 academic year.

It is anticipated that the department will be able to assist applicants in identifying and applying for financial aid opportunities within its normally budgeted resources.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sHB 5656*****AN ACT CONCERNING FINANCIAL ASSISTANCE PROVIDED BY THE DEPARTMENT OF CHILDREN AND FAMILIES TO INDIVIDUALS TO PURSUE POST SECONDARY SCHOOL EDUCATIONAL OPPORTUNITIES.*****SUMMARY:**

By policy, the Department of Children and Families (DCF) provides financial assistance for post-secondary school educational and vocational opportunities to youths committed to DCF on their 18th birthday who meet certain requirements. This bill statutorily authorizes DCF to provide this assistance to those who are committed to DCF or were committed to it on their 18th birthday. It requires DCF to prescribe in its policy manual eligibility conditions for receiving assistance and other program requirements DCF considers necessary. It also requires that, before awarding assistance, DCF must (1) identify any other financial assistance opportunity available to the applicant and help the person apply for it and (2) ensure that the applicant, except in the case of assistance for a vocational opportunity, uses DCF's assistance at a college or university accredited by the Board of Governors of Higher Education, the board's equivalent in another state, or a regionally accredited institution.

For new applicants after July 1, 2007, the bill limits DCF's annual assistance to any individual to the total cost of in-state tuition, room, board, and matriculation fees associated with attending the University of Connecticut at Storrs on September 1 of the calendar year when the request is made. But it (1) allows someone who was determined eligible for assistance before July 1, 2007 to continue to receive the amount DCF is already providing even if it exceeds or will exceed the bill's limits, as long as the beneficiary remains in full compliance with program requirements, and (2) gives the DCF commissioner discretion

to issue financial assistance to an individual above the prescribed limits.

EFFECTIVE DATE: July 1, 2007

BACKGROUND

Legislative History

The House referred the bill (File 283) to the Higher Education and Employment Advancement Committee, which reported a substitute that adds (1) the requirement that DCF must identify other financial assistance opportunities and assist the individual in applying for them and ensure that the applicant, except in the case of assistance for a vocational opportunity, uses the assistance DCF issues to attend an institution of higher education accredited by the Board of Governors of Higher Education, the board's equivalent in another state, or a regionally accredited institution and (2) the commissioner's discretion to exceed the bill's assistance limits.

Current DCF Policy

The DCF policy manual currently requires it to provide financial assistance for youth committed to DCF on their 18th birthday and allows such assistance to continue until the person's 23rd birthday under certain conditions. The policy manual does not limit the amount paid, but it sets other requirements. These include requirements for students to apply and compete for appropriate grants and scholarships to offset the cost and to contribute \$500 to their annual educational costs unless grants and scholarships obtained cover the full cost. The DCF regional administrator approves the costs, and social workers maintain contact with the students and review their academic performance (DCF Policy Manual §§ 42-20-20 and 42-20-21).

COMMITTEE ACTION

Human Services Committee

Joint Favorable

Yea 17 Nay 0 (03/20/2007)

Higher Education and Employment Advancement Committee

Joint Favorable Substitute

Yea 13 Nay 1 (04/17/2007)